



DEPARTMENT OF THE INTERIOR

Bureau of Safety and Environmental Enforcement

30 CFR Part 250

[Docket ID: BSEE-2022-0001; 223E1700D2 EEEE500000 ET1SF0000.EAQ000]

RIN 1014-AA54

Oil, Gas and Sulfur Operations in the Outer Continental Shelf—Adjustment of Service Fees

AGENCY: Bureau of Safety and Environmental Enforcement (BSEE), Interior.

ACTION: Direct final rule.

SUMMARY: This final rule amends BSEE regulations to update service fees that cover BSEE's cost of processing and filing certain documents relating to its oil and gas resources program to account for inflation from 2013 through 2021. BSEE also changes its website link used by operators to make payments for service fees in this rule.

DATES: This final rule is effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER]. The incorporation by reference of certain publications listed in this rule was approved by the Director as of November 7, 2016.

FOR FURTHER INFORMATION CONTACT: Eric Modrow, Chief, Office of Budget, 703-787-1694 or Kirk Malstrom, Chief, Regulations and Standards Branch, 703-787-1751.

SUPPLEMENTARY INFORMATION:

I. BSEE Statutory and Regulatory Authority

BSEE derives its authority principally from the Outer Continental Shelf Lands Act (OCSLA) (43 U.S.C. 1331-1356(a)). Congress enacted OCSLA in 1953, establishing Federal control over the Outer Continental Shelf (OCS) and authorizing the Secretary of the Interior (Secretary) to regulate oil and gas exploration, development, and production operations on the OCS. The Secretary has authorized BSEE to perform certain of these functions (30 CFR 250.101).

The BSEE regulatory program is comprehensive and provides for regulatory oversight over a wide range of facilities and activities including drilling, completion, workover, production, pipeline, and decommissioning operations. To carry out its responsibilities, BSEE develops and enforces regulations to enhance safety and environmental protection for offshore exploration and development of oil and natural gas on the OCS and to reflect advancements in technology and new information. BSEE also conducts onsite inspections to ensure compliance with regulations, lease terms, and approved plans and permits, and operates an oil spill response planning and preparedness program. Detailed information concerning BSEE's regulations and guidance to the offshore industry may be found on BSEE's website at <https://www.bsee.gov/what-we-do/offshore-regulatory-programs/regulations-standards>.

II. Background

BSEE has authority to recover the full cost of services that confer special benefits under the Independent Offices Appropriation Act (31 U.S.C. 9701), the Fiscal Year 1996 Omnibus Appropriations Bill (Pub. L. No. 104-134, 110 Stat. 1321, April 26, 1996), and Office of Management and Budget (OMB) Circular A-25. BSEE is required to charge the full cost for federal services that provide special benefits or privileges to an identifiable non-Federal recipient above and beyond those which accrue to the public at large. The regulations at 30 CFR 250.125(a) provide that BSEE will periodically adjust the fees set forth in that provision for inflation according to changes in the Implicit Price Deflator for Gross Domestic Product (IPD-GDP), which is published quarterly by the Department of Commerce, Bureau of Economic Analysis (BEA).

The regulation at 30 CFR 250.126(a) also requires payments of fees for services to be filed electronically. The BSEE website currently enables operators to make electronic payments; this rule clarifies how to access a Fees for Services webpage directly without scrolling through the website. This informational change to the existing URL identified in the regulation simplifies the

process for operators to make electronic payments for fees at <https://www.bsee.gov/who-we-are/working-with-us/Fees-for-Services>.

BSEE has not implemented inflation-based adjustments for service fees since 2013. This rulemaking will prevent further loss of revenue from recipients of government services in accord with Congress' intent as expressed in authorities cited above. The highest adjustment, in dollar terms, is to the fee for Platform Application – Installation - Under the Platform Verification Program, which will increase by \$3,710 from a previous level of \$22,734. BSEE considers this dollar amount insignificant as compared to the considerable operational costs and liability risks associated with activities on the OCS.

BSEE charges cost recovery fees for 31 separate services it provides to non-Federal recipients, as set out in 30 CFR 250.125(a). BSEE published a proposed rule to modify many of these cost recovery fees on November 17, 2016 (81 FR 81033), “Adjustments to Cost Recovery Fees Relating to the Regulation of Oil, Gas, and Sulfur Activities on the Outer Continental Shelf.” Following an extension of the comment period on January 5, 2017 (82 FR 1284), BSEE received public comments until February 16, 2017. Ultimately, the Department did not publish a final rule associated with the 2016 Notice of Proposed Rulemaking (NPRM). This direct final rule does not examine issues raised in the 2016 NPRM; instead, this rule focuses only on inflation-based adjustments to service fees. BSEE may pursue a separate, future rulemaking to adjust these fees based on a recalculation of actual agency costs.

The Department finds that good cause exists under the Administrative Procedure Act (5 U.S.C. 553(b)(B)) to implement this final rule for inflation adjustments without prior public notice and comment. BSEE provided the public with an opportunity to comment on the adjustment procedure used in this rule during the public comment period when it promulgated 30 CFR 250.125(a) at 70 FR 49875 (Aug. 25, 2005), as amended at 71 FR 40909 (July 19, 2006); 72 FR 25199 (May 4, 2007); 73 FR 49946 (Aug. 25, 2008); 75 FR 20288 (Apr. 19, 2010); and 78 FR

60213 (October. 1, 2013) (which was also a direct final rule).¹ The calculation of these adjustments is based on the change in the BEA IPD-GDP, as dictated by existing regulation. The amount of the adjustment is not within BSEE's discretion where Congress prescribed that "each service or thing of value provided by an agency . . . is to be self-sustaining to the extent possible." 31 U.S.C. 9701(a). Accordingly, because the rule merely implements existing regulatory procedures established through prior rulemakings, employing preestablished benchmarks outside the Department's discretion or control, public notice and comment procedures are unnecessary.

III. Discussion of Final Rule

In this direct final rule, BSEE is adjusting cost recovery service fees to account for inflation in accordance with 30 CFR 250.125(a). These cost recovery service fees were last updated on October 1, 2013, when BSEE published a final rule on "Oil and Gas and Sulfur Operations in the Outer Continental Shelf - Adjustment of Service Fees" in the *Federal Register* (78 FR 60213). The 2013 update included fee adjustments to account for inflation through the year 2012. This final rule is based on the change in the IPD-GDP from 2013 through 2021, thus reflecting the rate of inflation over 9 years.

The inflation rate between any 2 years is calculated as the percentage difference between the measure of the level of prices for a designated year (*e.g.*, 2021) and some previous year (*e.g.*, 2013) of all new, domestically produced, final goods and services in the economy, as contained in the BEA Table 1.1.9, IPD-GDP available at http://www.bea.gov/iTable/index_nipa.cfm. The BEA Table 1.1.9 IPD-GDP shows a percentage difference between the measure of the level of prices between 2021 and 2013 of 16.32 percent. The 2022 cost recovery service fees are calculated by increasing the 2013 cost recovery service fee value by 16.32 percent. The calculated value is rounded to the nearest dollar to establish the 2022 cost recovery service fee. Only the service fees at 30 CFR 250.125(a) will change.

¹ See also, 77 FR 50891 (Aug. 22, 2012), 81 FR 26014 (Apr. 29, 2016), and 81 FR 61916 (Sept. 7, 2016).

While BEA may revise the inflation rate in the future, BSEE will retain this published cost recovery service fee schedule until BSEE publishes an updated cost recovery service fee schedule in the *Federal Register*.

The following table lists the types of services BSEE performs when it receives a plan, application, permit, or other request; the associated regulatory citation for each type of request; the existing and proposed fee; and the acceptable payment type for each service, which are credit card and electronic check through the Automated Clearing House (ACH-debit). Because the current U.S. Treasury limit on credit card payments is \$24,999.99, an ACH-debit must be used for payments of \$25,000 or more. The following page on the BSEE website provides information to operators on how to pay the service fees in 30 CFR 250.125(a): <https://www.bsee.gov/who-we-are/working-with-us/Fees-for-Services>.

Service— processing of the following:	2013 Fee Amount (Current)	30 CFR citation	2022 Fee Amount	Payment Type
(1) Suspension of Operations/ Suspension of Production (SOO/SOP) Request	\$2,123	§ 250.171(e).	\$2,469	Credit Card or ACH-debit
(2) Deepwater Operations Plan	\$3,599	§ 250.292(q).	\$4,186	Credit Card or ACH-debit
(3) Application for Permit to Drill (APD; Form BSEE-0123)	\$2,113 for initial applications only; no fee for revisions	§ 250.410(d); § 250.513(b); § 250.1617(a).	\$2,458 for initial applications only; no fee for revisions	Credit Card or ACH-debit
(4) Application for Permit to Modify (APM; Form BSEE-0124)	\$125	§ 250.465(b); § 250.513(b); § 250.613(b); § 250.1618(a); § 250.1704(g).	\$145	Credit Card or ACH-debit
(5) New Facility Production Safety System Application for facility with more than 125 components	\$5,426 A \$14,280 additional fee will be charged if BSEE conducts a pre-production inspection of a facility offshore, and \$7,426 for an inspection of a	§ 250.842.	\$6,312 A \$16,610 additional fee will be charged if BSEE conducts a pre-production inspection of a facility offshore, and \$8,638 for an inspection of a	Credit Card or ACH-debit

Service— processing of the following:	2013 Fee Amount (Current)	30 CFR citation	2022 Fee Amount	Payment Type
	facility while in a shipyard A component is a piece of equipment or ancillary system that is protected by one or more of the safety devices required by API RP 14C (as incorporated by reference in § 250.198)		facility while in a shipyard A component is a piece of equipment or ancillary system that is protected by one or more of the safety devices required by API RP 14C (as incorporated by reference in § 250.198)	
(6) New Facility Production Safety System Application for facility with 25-125 components	\$1,314 A \$8,967 additional fee will be charged if BSEE conducts a pre-production inspection of a facility offshore, and \$5,141 for an inspection of a facility while in a shipyard.	§ 250.842.	\$1,528 A \$10,430 additional fee will be charged if BSEE conducts a pre-production inspection of a facility offshore, and \$5,980 for an inspection of a facility while in a shipyard.	Credit Card or ACH-debit
(7) New Facility Production Safety System Application for facility with fewer than 25 components	\$652	§ 250.842.	\$758	Credit Card or ACH-debit
(8) Production Safety System Application—Modification with more than 125 components reviewed	\$605	§ 250.842.	\$704	Credit Card or ACH-debit
(9) Production Safety System Application—Modification with 25-125 components reviewed	\$217	§ 250.842.	\$252	Credit Card or ACH-debit
(10) Production Safety System Application—Modification with fewer than 25 components reviewed	\$92	§ 250.842.	\$107	Credit Card or ACH-debit
(11) Platform Application—Installation—Under the Platform	\$22,734	§ 250.905(l).	\$26,444	ACH-debit Only

Service— processing of the following:	2013 Fee Amount (Current)	30 CFR citation	2022 Fee Amount	Payment Type
Verification Program				
(12) Platform Application— Installation—Fixed Structure Under the Platform Approval Program	\$3,256	§ 250.905(l).	\$3,787	Credit Card or ACH-debit
(13) Platform Application— Installation—Caisson/Well Protector	\$1,657	§ 250.905(l)	\$1,927	Credit Card or ACH-debit
(14) Platform Application— Modification/Repair	\$3,884	§ 250.905(l).	\$4,518	Credit Card or ACH-debit
(15) New Pipeline Application (Lease Term)	\$3,541	§ 250.1000(b).	\$4,119	Credit Card or ACH-debit
(16) Pipeline Application— Modification (Lease Term)	\$2,056	§ 250.1000(b).	\$2,392	Credit Card or ACH-debit
(17) Pipeline Application— Modification (ROW)	\$4,169	§ 250.1000(b).	\$4,849	Credit Card or ACH-debit
(18) Pipeline Repair Notification	\$388	§ 250.1008(e).	\$451	Credit Card or ACH-debit
(19) Pipeline Right-of-Way (ROW) Grant Application	\$2,771	§ 250.1015(a).	\$3,223	Credit Card or ACH-debit
(20) Pipeline Conversion of Lease Term to ROW	\$236	§ 250.1015(a).	\$275	Credit Card or ACH-debit
(21) Pipeline ROW Assignment	\$201	§ 250.1018(b).	\$234	Credit Card or ACH-debit
(22) 500 Feet from Lease/Unit Line Production Request	\$3,892	§ 250.1156(a).	\$4,527	Credit Card or ACH-debit
(23) Gas Cap Production Request	\$4,953	§ 250.1157.	\$5,761	Credit Card or ACH-debit
(24) Downhole Commingling Request	\$5,779	§ 250.1158(a).	\$6,722	Credit Card or ACH-debit
(25) Complex Surface Commingling and Measurement Application	\$4,056	§ 250.1202(a); § 250.1203(b); § 250.1204(a).	\$4,718	Credit Card or ACH-debit

Service— processing of the following:	2013 Fee Amount (Current)	30 CFR citation	2022 Fee Amount	Payment Type
(26) Simple Surface Commingle and Measurement Application	\$1,371	§ 250.1202(a); § 250.1203(b); § 250.1204(a).	\$1,595	Credit Card or ACH-debit
(27) Voluntary Unitization Proposal or Unit Expansion	\$12,619	§ 250.1303(d).	\$14,678	Credit Card or ACH-debit
(28) Unitization Revision	\$896	§ 250.1303(d).	\$1,042	Credit Card or ACH-debit
(29) Application to Remove a Platform or Other Facility	\$4,684	§ 250.1727.	\$5,448	Credit Card or ACH-debit
(30) Application to Decommission a Pipeline (Lease Term)	\$1,142	§ 250.1751(a) or § 250.1752(a).	\$1,328	Credit Card or ACH-debit
(31) Application to Decommission a Pipeline (ROW)	\$2,170	§ 250.1751(a) or § 250.1752(a).	\$2,524	Credit Card or ACH-debit

Procedural Matters

Regulatory Planning and Review (Executive Order 12866)

This rule is not significant under Executive Order (E.O.) 12866.

1. These amendments are administrative and procedural. This rule will not have an effect of \$100 million or more on the economy. It will not adversely affect in a material way the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities. A cost-benefit and economic analysis is not required.
2. This rule will not create a serious inconsistency or otherwise interfere with an action taken or planned by another agency.
3. This rule will not alter the budgetary effects of entitlements, grants, user fees, or loan programs or the rights or obligations of their recipients.
4. This rule does not raise novel legal or policy issues.

Small Business Regulatory Enforcement Fairness Act

This rule is not a major rule under the Small Business Regulatory Enforcement Fairness Act (5 U.S.C. 801 *et seq.*). This rule:

1. Will not have an annual effect on the economy of \$100 million or more.
2. Will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions.
3. Will not have significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of U.S.-based enterprises to compete with foreign-based enterprises. The requirements will apply to all entities operating on the OCS.

Unfunded Mandates Reform Act of 1995

This rule will not impose an unfunded mandate on State, local, or tribal governments or the private sector of more than \$100 million per year. The rule will not have a significant or unique effect on State, local, or tribal governments or the private sector. A statement containing the information required by the Unfunded Mandates Reform Act (2 U.S.C. 1501 *et seq.*) is not required.

Takings Implication Assessment (E.O. 12630)

Under E.O. 12630, the rule does not have significant takings implications. The rulemaking is not a governmental action capable of interfering with constitutionally protected property rights. A Takings Implication Assessment is not required.

Federalism (E.O. 13132)

Under the criteria in E.O. 13132, this rulemaking does not have federalism implications. This rule will not substantially and directly affect the relationship between the Federal and State governments. To the extent that State and local governments have a role in OCS activities, this rule will not affect that role. A federalism assessment is not required.

Civil Justice Reform (E.O. 12988)

This rule complies with the requirements of E.O. 12988. Specifically, this rule:

1. Meets the criteria of section 3(a) requiring that all regulations be reviewed to eliminate

errors and ambiguity and be written to minimize litigation; and

2. Meets the criteria of section 3(b)(2) requiring that all regulations be written in clear language and contain clear legal standards.

Consultation with Indian Tribes (E.O. 13175)

The Department of the Interior strives to strengthen its government-to-government relationship with Indian Tribes through a commitment to consultation with Indian Tribes and recognition of their right to self-governance and tribal sovereignty. We have evaluated this rule under the Department of the Interior's consultation policy, under Departmental Manual Part 512 Chapters 4 and 5, and under the criteria in E.O. 13175. We have determined that it has no substantial direct effects on Federally recognized Indian Tribes or Alaska Native Claims Settlement Act (ANCSA) Corporations, and that consultation under the Department of the Interior's tribal and ANCSA consultation policies is not required.

Paperwork Reduction Act (PRA) of 1995

This rule does not contain new information collection requirements and a submission under the PRA is not required. Therefore, an information collection request is not being submitted to OMB for review and approval under the PRA (44 U.S.C. 3501 *et seq.*).

National Environmental Policy Act of 1969 (NEPA)

This rule does not constitute a major Federal action significantly affecting the quality of the human environment. The BSEE has analyzed this rule under the criteria of NEPA and DOI's regulations implementing NEPA. This rule meets the criteria set forth at 43 CFR 46.210(i) for a Departmental Categorical Exclusion in that this rule is "of an administrative, financial, legal, technical, or procedural nature ..." Further, BSEE has analyzed this rule to determine if it meets any of the extraordinary circumstances that would nevertheless require preparation of an environmental assessment or an environmental impact statement, as set forth in 43 CFR 46.215, and concluded that this rule does not meet any of the criteria for extraordinary circumstances.

Data Quality Act

In developing this rule, we did not conduct or use a study, experiment, or survey requiring peer review under the Data Quality Act (Pub. L. No. 106-554, app. C section 515, 114 Stat. 2763, 2763A-153-154).

Effects on the Nation's Energy Supply (E.O. 13211)

This rule is not a significant energy action under the definition in E.O. 13211. Therefore, a Statement of Energy Effects is not required.

Incorporation by reference (1 CFR part 51)

The Director of the Federal Register previously approved the following material for incorporation by reference into the section where it appears in this rule: API RP 14C, Recommended Practice for Analysis, Design, Installation, and Testing of Basic Surface Safety Systems for Offshore Production Platforms, Seventh Edition, March 2001, reaffirmed: March 2007.

List of Subjects in 30 CFR Part 250

Administrative practice and procedure, Continental shelf, Environmental impact statements, Environmental protection, Government contracts, Incorporation by reference, Investigations, Mineral resources, Oil and gas exploration, Penalties, Pipelines, Continental Shelf—mineral resources, Continental Shelf—rights-of-way, Reporting and recordkeeping requirements, and Sulfur.

Laura Daniel-Davis

Principal Deputy Assistant Secretary,
Land and Minerals Management

For the reasons stated in the preamble, the Bureau of Safety and Environmental Enforcement (BSEE) amends title 30, chapter II, subchapter B, part 250 of the Code of Federal Regulations as follows:

PART 250 – OIL AND GAS AND SULFUR OPERATIONS IN THE OUTER

CONTINENTAL SHELF

1. Authority citation for part 250 continues to read as follows:

Authority: 30 U.S.C. 1751; 31 U.S.C. 9701, 33 U.S.C. 1321(j)(1)(C), 43 U.S.C. 1334.

2. In § 250.125, revise paragraphs (a)(1) through (31) to read as follows:

§ 250.125 Service fees.

(a) * * *

Service—processing of the following:	Fee Amount	30 CFR citation
(1) Suspension of Operations/Suspension of Production (SOO/SOP) Request	\$2,469	§ 250.171(e).
(2) Deepwater Operations Plan (DWOP)	\$4,186	§ 250.292(q).
(3) Application for Permit to Drill (APD; Form BSEE-0123)	\$2,458 for initial applications only; no fee for revisions	§ 250.410(d); § 250.513(b); § 250.1617(a).
(4) Application for Permit to Modify (APM; Form BSEE-0124)	\$145	§ 250.465(b); § 250.513(b); § 250.613(b); § 250.1618(a); § 250.1704(g).
(5) New Facility Production Safety System Application for facility with more than 125 components	\$6,312 A \$16,610 additional fee will be charged if BSEE conducts a pre-production inspection of a facility offshore, and \$8,638 for an inspection of a facility while in a shipyard A component is a piece of equipment or ancillary system that is protected by one or more of the safety devices required by API RP 14C (as incorporated by reference in § 250.198)	§ 250.842.
(6) New Facility Production Safety System Application for facility with 25-125 components	\$1,528 A \$10,430 additional fee will be charged if BSEE conducts a pre-production inspection of a facility offshore, and \$5,980 for an inspection of a facility while in a shipyard.	§ 250.842.
(7) New Facility Production Safety System Application for facility with fewer than 25 components	\$758	§ 250.842.
(8) Production Safety System Application—Modification with more than 125 components reviewed	\$704	§ 250.842.

(9) Production Safety System Application—Modification with 25-125 components reviewed	\$252	§ 250.842.
(10) Production Safety System Application—Modification with fewer than 25 components reviewed	\$107	§ 250.842.
(11) Platform Application—Installation—Under the Platform Verification Program	\$26,444	§ 250.905(l).
(12) Platform Application—Installation—Fixed Structure Under the Platform Approval Program	\$3,787	§ 250.905(l).
(13) Platform Application—Installation—Caisson/Well Protector	\$1,927	§ 250.905(l)
(14) Platform Application—Modification/Repair	\$4,518	§ 250.905(l).
(15) New Pipeline Application (Lease Term)	\$4,119	§ 250.1000(b).
(16) Pipeline Application—Modification (Lease Term)	\$2,392	§ 250.1000(b).
(17) Pipeline Application—Modification (ROW)	\$4,849	§ 250.1000(b).
(18) Pipeline Repair Notification	\$451	§ 250.1008(e).
(19) Pipeline Right-of-Way (ROW) Grant Application	\$3,223	§ 250.1015(a).
(20) Pipeline Conversion of Lease Term to ROW	\$275	§ 250.1015(a).
(21) Pipeline ROW Assignment	\$234	§ 250.1018(b).
(22) 500 Feet from Lease/Unit Line Production Request	\$4,527	§ 250.1156(a).
(23) Gas Cap Production Request	\$5,761	§ 250.1157(b).
(24) Downhole Commingling Request	\$6,722	§ 250.1158(a).
(25) Complex Surface Commingling and Measurement Application	\$4,718	§ 250.1202(a); § 250.1203(b); § 250.1204(a).
(26) Simple Surface Commingling and Measurement Application	\$1,595	§ 250.1202(a); § 250.1203(b); § 250.1204(a).
(27) Voluntary Unitization Proposal or Unit Expansion	\$14,678	§ 250.1303(d).
(28) Unitization Revision	\$1,042	§ 250.1303(d).
(29) Application to Remove a Platform or Other Facility	\$5,448	§ 250.1727.

(30) Application to Decommission a Pipeline (Lease Term)	\$1,328	§ 250.1751(a) or § 250.1752(a).
(31) Application to Decommission a Pipeline (ROW)	\$2,524	§ 250.1751(a) or § 250.1752(a).

* * * * *

3. In § 250.126, revise paragraph (a) to read as follows:

§ 250.126 Electronic payments instructions.

(a) You must file all payments electronically through the Fees for Services Page on the BSEE website at *<https://www.bsee.gov/who-we-are/working-with-us/Fees-for-Services>*. This includes, but is not limited to, all OCS applications, permits, or any filing fees. You must include a copy of the *Pay.gov* confirmation receipt page with your application, permit, or filing fee.

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